
SENATE BILL 5626

State of Washington 61st Legislature 2009 Regular Session

By Senators Tom, Keiser, Kohl-Welles, McDermott, and Kline

Read first time 01/27/09. Referred to Committee on Ways & Means.

1 AN ACT Relating to imposing an additional cigarette tax and
2 providing for the distribution of the tax revenue; amending RCW
3 43.79.480 and 70.146.030; reenacting and amending RCW 69.50.520; adding
4 a new section to chapter 82.24 RCW; and providing an effective date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.24 RCW
7 to read as follows:

8 (1) In addition to the tax imposed upon the sale, use, consumption,
9 handling, possession, or distribution of cigarettes set forth in this
10 chapter, there is imposed a tax in the amount equal to five cents per
11 cigarette.

12 (2) The moneys collected under this section must be deposited as
13 follows:

14 (a) Each year, twenty million dollars must be deposited into the
15 tobacco prevention and control account under RCW 43.79.480(3);

16 (b) 5.32 percent must be deposited into the general fund;

17 (c) 1.95 percent must be deposited into the water quality account
18 under RCW 70.146.030;

1 (d) 2.56 percent must be deposited into the violence reduction and
2 drug enforcement account under RCW 69.50.520;

3 (e) 9.26 percent must be deposited into the education legacy trust
4 account; and

5 (f) The remainder must be deposited into the health services
6 account.

7 **Sec. 2.** RCW 43.79.480 and 2005 c 424 s 12 are each amended to read
8 as follows:

9 (1) Moneys received by the state of Washington in accordance with
10 the settlement of the state's legal action against tobacco product
11 manufacturers, exclusive of costs and attorneys' fees, shall be
12 deposited in the tobacco settlement account created in this section
13 except as these moneys are sold or assigned under chapter 43.340 RCW.

14 (2) The tobacco settlement account is created in the state
15 treasury. Moneys in the tobacco settlement account may only be
16 transferred to the health services account for the purposes set forth
17 in RCW 43.72.900, and to the tobacco prevention and control account for
18 purposes set forth in this section. The legislature shall transfer
19 amounts received as strategic contribution payments as defined in RCW
20 43.350.010 to the life sciences discovery fund created in RCW
21 43.350.070.

22 (3) The tobacco prevention and control account is created in the
23 state treasury. The source of revenue for this account is moneys
24 transferred to the account from the tobacco settlement account, the tax
25 imposed under section 1 of this act, investment earnings, donations to
26 the account, and other revenues as directed by law. Expenditures from
27 the account are subject to appropriation.

28 **Sec. 3.** RCW 70.146.030 and 2007 c 522 s 955 are each amended to
29 read as follows:

30 (1) The water quality account is hereby created in the state
31 treasury. Moneys in the account may be used only in a manner
32 consistent with this chapter. Moneys deposited in the account shall be
33 administered by the department of ecology and shall be subject to
34 legislative appropriation. Moneys placed in the account shall include
35 tax receipts as provided in chapter 82.24 RCW (~~(82.24.027,~~

1 ~~82.24.026(2)(d),~~) and RCW 82.32.390, principal and interest from the
2 repayment of any loans granted pursuant to this chapter, and any other
3 moneys appropriated to the account by the legislature.

4 (2) The department may use or permit the use of any moneys in the
5 account to make grants or loans to public bodies, including grants to
6 public bodies as cost-sharing moneys in any case where federal, local,
7 or other funds are made available on a cost-sharing basis, for water
8 pollution control facilities and activities, or for purposes of
9 assisting a public body to obtain an ownership interest in water
10 pollution control facilities and/or to defray a part of the payments
11 made by a public body to a service provider under a service agreement
12 entered into pursuant to RCW 70.150.060, within the purposes of this
13 chapter and for related administrative expenses. For the period July
14 1, 2007, to June 30, 2009, moneys in the account may be used to process
15 applications received by the department that seek to make changes to or
16 transfer existing water rights and for other water resources and water
17 quality activities, for water conveyance projects, shoreline technical
18 assistance(~~(-[,])~~), Puget Sound education and outreach(([,]), and for
19 grants and technical assistance to public bodies for watershed planning
20 under chapter 90.82 RCW. No more than three percent of the moneys
21 deposited in the account may be used by the department to pay for the
22 administration of the grant and loan program authorized by this
23 chapter.

24 (3) Beginning with the biennium ending June 30, 1997, the
25 department shall present a biennial progress report on the use of
26 moneys from the account to the chairs of the senate committee on ways
27 and means and the house of representatives committee on appropriations.
28 The first report is due June 30, 1996, and the report for each
29 succeeding biennium is due December 31st of the odd-numbered year. The
30 report shall consist of a list of each recipient, project description,
31 and amount of the grant, loan, or both.

32 **Sec. 4.** RCW 69.50.520 and 2005 c 518 s 937, 2005 c 514 c 1107, and
33 2005 c 514 s 202 are each reenacted and amended to read as follows:

34 The violence reduction and drug enforcement account is created in
35 the state treasury. All designated receipts from RCW 9.41.110(8),
36 66.24.210(4), 66.24.290(2), 69.50.505(9)(a), 82.08.150 (5) and
37 (7)(b)(iii), (~~(82.24.020(2), 82.24.026(2)(c),~~) and 82.64.020, chapter

1 82.24 RCW, and section 420, chapter 271, Laws of 1989 shall be
2 deposited into the account. Expenditures from the account may be used
3 only for funding services and programs under chapter 271, Laws of 1989
4 and chapter 7, Laws of 1994 sp. sess., including state incarceration
5 costs. Funds from the account may also be appropriated to reimburse
6 local governments for costs associated with implementing criminal
7 justice legislation including chapter 338, Laws of 1997. During the
8 2003-2005 and 2005-2007 bienniums, funds from the account may also be
9 used for costs associated with providing grants to local governments in
10 accordance with chapter 338, Laws of 1997, funding drug offender
11 treatment services in accordance with RCW 70.96A.350, maintenance and
12 operating costs of the Washington association of sheriffs and police
13 chiefs jail reporting system, maintenance and operating costs of the
14 juvenile rehabilitation administration's client activity tracking
15 system, civil indigent legal representation, multijurisdictional
16 narcotics task forces, transfers to the health services account, and
17 grants to community networks under chapter 70.190 RCW by the family
18 policy council.

19 NEW SECTION. **Sec. 5.** This act takes effect August 1, 2009.

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